



**FOR IMMEDIATE RELEASE**

**OCTOBER 25, 2007**

**STOCK SYMBOL: PFB**

**PFB CORPORATION ANNOUNCES THIRD QUARTER RESULTS  
AND DECLARES REGULAR QUARTERLY DIVIDEND**

CALGARY, ALBERTA--(TSX – PFB) PFB Corporation reports its financial results for the three and nine month periods ended September 30, 2007, and declares regular quarterly dividend.

**Results for Three Months and Nine Months Periods Ended September 30, 2007**

Consolidated net income for the three months ended September 30, 2007, improved to \$2,286,000, basic earnings of \$0.35 per share, compared to net income of \$2,123,000, basic earnings of \$0.33 per share reported in the comparative three months of 2006. Sales improved to \$25,659,000 in the third quarter of 2007 as compared to sales of \$23,640,000 in the third quarter of 2006, an increase in sales of \$2,019,000 or 8.5% reflecting a positive marketing environment for our products.

Despite high raw materials prices and realized losses on foreign exchange contracts in the current quarter, gross profit as a percentage of sales was maintained at over 30% through a combination of selling price increases, improved plant utilization, and a higher margin product mix.

The largest adverse effect on earnings performance this year has been non-cash charges for unrealized foreign exchange losses due to significant appreciation in the Canadian dollar versus the United States dollar. During the current year, the Canadian dollar's rise has resulted in losses on fixed forward foreign exchange contracts which PFB entered in to in Q4, 2006.

In the current quarter, net unrealized foreign exchange losses amounted to \$379,000 as compared to a net unrealized foreign exchange gain of \$6,000 reported in the comparative quarter of fiscal 2006. The net unrealized foreign exchange loss includes a loss of \$653,000 from a mark-to-market adjustment on U.S. denominated financial instruments held by Canadian-based operations and an unrealized gain of \$274,000 from translating the assets and liabilities of U.S.-based operations. The balance of fixed forward foreign exchange contracts remaining at September 30, 2007, is USD \$4,000,000 which foreign exchange will be fully utilized in the fourth quarter.

Consolidated net income for the nine months ended September 30, 2007 was \$2,337,000, basic earnings of \$0.37 per share, as compared to net income of \$3,693,000, basic earning of \$0.58 per share in the comparative nine months in 2006. Sales in the nine months ended September 30, 2007 were \$62,762,000 as compared to sales of \$57,927,000 in the nine months ended September 30, 2006, an increase in sales of \$4,835,000 or 8.4%.

Included in PFB's nine months results for fiscal 2007 was a non-cash charge for net unrealized foreign exchange losses of \$1,524,000 mainly arising as a consequence of the impact an appreciating Canadian dollar has had on fixed foreign exchange contracts. An unrealized foreign exchange gain of \$734,000 was reported in the fourth quarter of 2006 which should be viewed in conjunction with the unrealized losses reported in the current year.

Sales order demand in Western and Central Canada remains strong entering the fourth quarter as are confirmed orders for sales in the United States.

### **Quarterly Dividend Payment**

The Board of Directors has approved the payment of a regular quarterly dividend of \$0.06 per common share. The dividend will be paid on November 30, 2007, to shareholders of record on November 15, 2007.

### **Forward Looking Statements**

Certain statements in this Press Release contain forward-looking statements about the objectives of PFB Corporation (“PFB” or the “Corporation”) and management’s expectations, beliefs, intentions or strategies for the future. Future events are subject to certain risks, uncertainties and assumptions that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such risks, uncertainties and assumptions include, but are not limited to: general economic conditions; actions by government authorities; actions by regulatory authorities; availability of raw materials; changes in raw materials prices; foreign exchange rates; interest rates; competitor activity; industry pricing pressures; seasonality of the construction industry; and weather.

### **About PFB**

PFB Corporation is a vertically integrated manufacturer of insulating building products that are marketed across North America under four brands. Plasti-Fab, EPS Product Solution<sup>®</sup> are products, manufactured using expanded polystyrene (EPS) as base raw materials, that are delivered to customers in five segmented markets. Advantage ICF Systems<sup>®</sup> are insulating concrete forming systems that are employed to build insulated foundations and walls from concrete in both residential and commercial markets. Insulspan<sup>®</sup> Structural Insulating Panels Systems (SIPS) are used to create a building’s structural wall frame and to replaces trusses on roof systems to form an energy-efficient structural envelope. Riverbend<sup>®</sup> Timber Framing manufactures and sells precision-cut, custom-crafted solid timbers to exacting standards which are delivered to customer’s jobsites as ready-to-assemble building packages in conjunction with Insulspan SIPS for the walls and roof, and Advantage ICFS for the building’s foundations.

PFB Corporation is listed for trading on the Toronto Stock Exchange, symbol PFB.

PFB Corporation’s interim consolidated financial statements and interim MD&A for the third quarter of fiscal 2007 will be posted on SEDAR ([www.sedar.com](http://www.sedar.com)) by October 31, 2007.

### **FOR FURTHER INFORMATION CONTACT:**

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